



**May Revision Highlights  
Fiscal Year 2015-16**

**California Department of Public Health**

**Edmund G. Brown Jr.  
Governor  
State of California**

**Diana S. Dooley  
Secretary  
California Health and Human Services Agency**

**Karen L. Smith, MD, MPH  
Director and State Health Officer**

**May 14, 2015**

## CALIFORNIA DEPARTMENT OF PUBLIC HEALTH PROGRAM OVERVIEW

The mission of the California Department of Public Health (CDPH), a nationally-accredited public health department, is to optimize the health and well-being of the people in California, primarily through population-based programs, strategies, and initiatives.

Public Health's goals are to achieve health equities and eliminate health disparities; eliminate preventable disease, disability, injury, and premature death; promote social and physical environments that support good health for all; prepare for, respond to, and recover from emerging public health threats and emergencies; improve the quality of the workforce and workplace; and promote and maintain an efficient and effective organization. Public Health is working toward these goals through its programmatic and operational support activities and in collaboration with local health departments and other organizations throughout the State.

The Department is comprised of six Public Health Centers, which are the Center for Chronic Disease Prevention and Health Promotion, the Center for Infectious Diseases, the Center for Family Health, the Center for Environmental Health, the Center for Health Care Quality, and the Center for Health Statistics and Informatics. In addition, the Department has the Emergency Preparedness Office, the Office of Public Affairs, the Office of Health Equity, the Office of Quality Performance and Accreditation, and the Administration Division.

## GENERAL BUDGET OVERVIEW

Public Health's budget supports activities and services that reinforce the State's commitment to the health and well-being of all Californians. For Fiscal Year (FY) 2015-16, the May Revision provides \$3.088 billion for the support of Public Health programs and services, a decrease of 0.84 percent from the 2015-16 Governor's Budget. Of the amount approved, \$785 million is for State Operations, \$2.298 billion is for Local Assistance and \$4.3 million is for Capital Outlay. The budget affirms Public Health's commitment to address the public health needs of Californians.

### Total Department Budget

Dollars in thousands

| <b>Governor's Budget<br/>Fund Source</b>      | <b>2014-15<br/>Enacted Budget</b> | <b>2015-16<br/>Governor's<br/>Budget</b> | <b>2015-16 May<br/>Revision</b> | <b>% Change from<br/>2015-16<br/>Governor's<br/>Budget</b> |
|---|-----------------------------------|--|---------------------------------|--|
| <b>General Fund</b>                           | 118,120                           | 124,386                                  | 124,386                         | 0.00%  |
| <b>Federal Funds</b>                          | 1,722,537                         | 1,750,166                                | 1,751,447                       | 0.07%  |
| <b>Special Funds &amp;<br/>Reimbursements</b> | 1,178,228                         | 1,239,329                                | 1,211,948                       | -2.21%   |
| <b>Total Funds</b>                            | <b>3,018,885</b>                  | <b>3,113,881</b>                         | <b>3,087,781</b>                | <b>-0.84%</b>  |

\*2015-16 Governor's Budget includes the \$4.33 million General Fund for Capital Outlay shown in the 3-YR Expenditures and Positions display. \*\* Dollars may not match exactly to the Governor's Budget gallery due to rounding of budget details.

The charts below and the narrative that follows describe the specific budget adjustments.

### **State Operations**

Dollars in thousands

| <b>State Operations by Program</b>     |                |                               |                                  |                             |  |
|--|----------------|-------------------------------|----------------------------------|-----------------------------|--|
| <b>Governor's Budget Program Title</b> | <b>Program</b> | <b>2014-15 Enacted Budget</b> | <b>2015-16 Governor's Budget</b> | <b>2015-16 May Revision</b> | <b>% Change from 2015-16 Governor's Budget</b> |
| Public Health Emergency Preparedness   | 4040           | 36,874                        | 37,611                           | 41,470                      | 10.26%   |
| Public and Environmental Health        | 4045           | 445,213                       | 508,349                          | 483,551                     | -4.88%   |
| Licensing & Certification              | 4050           | 207,996                       | 254,901                          | 260,194                     | 2.08%  |
| Administration                         | 9900100        | 33,798                        | 35,979                           | 35,979                      | 0.00%  |
| Distributed Administration             | 9900200        | -33,798                       | -35,980                          | -35,980                     | 0.00%  |
| <b>Total State Operations</b>          |                | <b>690,083</b>                | <b>800,860</b>                   | <b>785,214</b>              | <b>-1.95%</b>                                  |

| <b>State Operations by Fund Source</b> |                               |                                  |                             |  |
|--|-------------------------------|----------------------------------|-----------------------------|--|
| <b>Governor's Budget Fund Source</b>   | <b>2014-15 Enacted Budget</b> | <b>2015-16 Governor's Budget</b> | <b>2015-16 May Revision</b> | <b>% Change from 2015-16 Governor's Budget</b> |
| General Fund                           | 79,361                        | 81,294                           | 81,294                      | 0.00%  |
| Federal Fund                           | 254,458                       | 284,160                          | 288,013                     | 1.36%  |
| Special Funds & Reimbursements         | 356,264                       | 435,406                          | 415,907                     | -4.48%   |
| <b>Total State Operations</b>          | <b>690,083</b>                | <b>800,860</b>                   | <b>785,214</b>              | <b>-1.95%</b>                                  |

## **Local Assistance**

Dollars in thousands

| <b>Local Assistance by Program</b>         |                |                                       |  |                                     |  |
|--|----------------|---------------------------------------|--|-------------------------------------|--|
| <b>Governor's Budget<br/>Program Title</b> | <b>Program</b> | <b>2014-15<br/>Enacted<br/>Budget</b> | <b>2015-16<br/>Governor's<br/>Budget</b> | <b>2015-16<br/>May<br/>Revision</b> | <b>% Change<br/>from 2015-16<br/>Governor's<br/>Budget</b> |
| Public Health Emergency Preparedness       | 4040           | 60,724                                | 60,724                                   | 72,314                              | 19.09%   |
| Public and Environmental Health            | 4045           | 2,268,078                             | 2,247,964                                | 2,225,920                           | -0.98%   |
| <b>Total Local Assistance</b>              |                | <b>2,328,802</b>                      | <b>2,308,688</b>                         | <b>2,298,234</b>                    | <b>-0.45%</b>  |

| <b>Local Assistance by Fund Source</b>   |                                       |  |                                     |  |
|--|---------------------------------------|--|-------------------------------------|--|
| <b>Governor's Budget<br/>Fund Source</b> | <b>2014-15<br/>Enacted<br/>Budget</b> | <b>2015-16<br/>Governor's<br/>Budget</b> | <b>2015-16<br/>May<br/>Revision</b> | <b>% Change<br/>from 2015-16<br/>Governor's<br/>Budget</b> |
| General Fund                             | 38,759                                | 38,759                                   | 38,759                              | 0.00%  |
| Federal Fund                             | 1,468,079                             | 1,466,006                                | 1,463,434                           | -0.18%   |
| Special Funds & Reimbursements           | 821,964                               | 803,923                                  | 796,041                             | -0.98%   |
| <b>Total Local Assistance</b>            | <b>2,328,802</b>                      | <b>2,308,688</b>                         | <b>2,298,234</b>                    | <b>-0.45%</b>  |

## **Capital Outlay**

Dollars in thousands

| <b>Capital Outlay by Fund Source</b>     |                                       |  |                                     |  |
|--|---------------------------------------|--|-------------------------------------|--|
| <b>Governor's Budget<br/>Fund Source</b> | <b>2014-15<br/>Enacted<br/>Budget</b> | <b>2015-16<br/>Governor's<br/>Budget</b> | <b>2015-16<br/>May<br/>Revision</b> | <b>% Change<br/>from 2015-16<br/>Governor's<br/>Budget</b> |
| General Fund                             | 0                                     | 4,333                                    | 4,333                               | 0.00%  |
| <b>Total Capital Outlay</b>              | <b>0</b>                              | <b>4,333</b>                             | <b>4,333</b>                        | <b>0.00%</b>   |

| <b>Capital Outlay by Program</b>           |                |                                       |  |                                     |  |
|--|----------------|---------------------------------------|--|-------------------------------------|--|
| <b>Governor's Budget<br/>Program Title</b> | <b>Program</b> | <b>2014-15<br/>Enacted<br/>Budget</b> | <b>2015-16<br/>Governor's<br/>Budget</b> | <b>2015-16<br/>May<br/>Revision</b> | <b>% Change<br/>from 2015-16<br/>Governor's<br/>Budget</b> |
| Public and Environmental<br>Health         | 4045           | 0                                     | 4,333                                    | 4,333                               | 0.00%  |
| <b>Total Capital Outlay</b>                |                | <b>0</b>                              | <b>4,333</b>                             | <b>4,333</b>                        | <b>0.00%</b>   |

## PROGRAMMATIC ADJUSTMENTS

The specific adjustments listed below reflect the major budgetary changes since the release of the 2015-16 Governor's Budget. The major changes include Spring Finance Letters and May Revision Estimates.

References to "GF" are to the General Fund; "OF" refers to Other Funds including Special Funds, Federal Funds, and Reimbursements; and "TF" represents Total Funds.

### **I. Public Health Emergency Preparedness Program**

This program coordinates preparedness and response activities for all public health emergencies, including natural disasters, acts of terrorism, and pandemic diseases. The program plans and supports surge capacity in the medical care and public health systems to meet needs during emergencies. The program also administers federal and state funds that support the Department's emergency preparedness activities. A major adjustment includes:

#### **2015-16 Budget Adjustments**

##### **Ebola Emergency Preparedness**

\$15,450,000 TF

\$15,450,000 OF

The May Revision includes an April 1, 2015 Spring Finance Letter for a budget year increase of \$15.45 million in Federal Fund expenditure authority to support accelerated state and local public health preparedness and operational readiness for responding to the Ebola virus. This includes an increase of \$3.86 million for State Operations and \$11.59 million for Local Assistance. Public Health will also receive \$250,000 in federal Ebola grant funds each year from FY 2016-17 to FY 2019-20.

## **II. Center for Chronic Disease Prevention and Health Promotion (CCDPHP)**

This program works to prevent and control chronic diseases such as cancer, cardiovascular diseases, asthma, adverse pregnancy outcomes, and diabetes; to reduce the prevalence of obesity; to provide training programs for the public health workforce; to prevent and control injuries, violence, deaths, and diseases related to behavioral, environmental, and occupational factors; to promote and support safe and healthy environments in all communities and workplaces; and to prevent and treat problem gambling. This program includes Chronic Disease and Injury Control, Environmental and Occupational Disease Control, and the Office of Problem Gambling. Major budget adjustments include:

### **2015-16 Budget Adjustments**

#### **Biomonitoring California Technical Adjustment**

- \$350,000 TF  
- \$350,000 OF

The May Revision reflects an April 1, 2015 Technical Adjustment for a budget year decrease of \$350,000 in expenditure authority for Biomonitoring California. The total amount requested in the 2015-16 Governor's Budget is overstated as it did not account for a two-year limited-term augmentation of \$350,000 included in the 2014-15 May Revision process. This includes a decrease of \$175,000 from the Toxic Substances Control Account (Fund 0557) and a decrease of \$175,000 from the Birth Defects Monitoring Fund (Fund 3114).

#### **Proposition 99 Health Education Account**

- \$5,904,000 TF  
- \$5,904,000 OF

The May Revision reflects a Technical Adjustment to correct an overstatement of revenues in the 2015-16 Governor's Budget, resulting in a budget year decrease of \$5.9 million in the Proposition 99 Health Education Account (Fund 0231) expenditure authority. This includes a decrease to State Operations appropriations for State Administration of \$473,000, Media Campaign of \$2,114,000, and Evaluation of \$346,000. Also included is a decrease to Local Assistance appropriations for Competitive Grants of \$636,000 and Local Lead Agencies of \$2,335,000. The net FY 2015-16 expenditure authority adjustments is an increase of \$2.3 million from FY 2014-15.

#### **Proposition 99 Research Account**

- \$675,000 TF  
- \$675,000 OF

The May Revision reflects a Technical Adjustment to correct an overstatement of revenues in the 2015-16 Governor's Budget, resulting in a budget year decrease of \$675,000 in Proposition 99 Research Account (Fund 0234) expenditure authority. This includes a decrease to State Operations appropriations for State

Administration of \$575,000 to the Chronic Disease Surveillance and Research Branch and a \$100,000 to the Environmental Health Investigations Branch.

### **III. Center for Infectious Diseases**

This program works to prevent and control infectious diseases such as HIV/AIDS, viral hepatitis, influenza and other vaccine preventable illnesses, tuberculosis, emerging infections, vector-borne disease, sexually transmitted diseases, infant botulism, and foodborne illnesses. This program includes the Division of Communicable Disease Control, the Office of AIDS, the Office of Bi-national Border Health, and the Office of Refugee Health. Major budget adjustments include:

#### **2014-15 Budget Adjustments**

##### **AIDS Drug Assistance Program (ADAP) May 2015 Estimate**

-\$32,700,000 TF  
-\$32,700,000 OF

The May Revision Estimate reflects a current year net decrease of \$32.7 million in ADAP expenditure authority. This includes a \$36.2 million decrease in the ADAP Rebate Fund (Fund 3080), a decrease of \$1 million in Safety Net Care Pool Reimbursement funds, and an increase of \$4.5 million in the Federal Trust Fund. The decrease to the ADAP Rebate Fund expenditure authority was due to a larger number of clients transitioning to Medi-Cal Expansion than initially estimated and fewer clients accessing Hepatitis C virus treatment than anticipated. The decrease in Reimbursements expenditure authority is mainly due to reduced Medi-Cal Share of Cost expenditures. The increase to the Federal Trust Fund is due to utilizing carryover of unspent 2013 Ryan White Part B funds prior to the 2014 grant period end date, March 31, 2015. No extra Federal expenditure authority was requested because the Department has sufficient expenditure authority for the \$4.5 million increase.

#### **2015-16 Budget Adjustments**

##### **AIDS Drug Assistance Program (ADAP) May 2015 Estimate**

\$-25,900,000 TF  
\$-25,900,000 OF

The May Revision Estimate reflects a budget year decrease of \$25.9 million in ADAP expenditure authority. This includes a decrease of \$20.2 million in the ADAP Rebate Fund (Fund 3080) and a decrease of \$5.7 million in the Federal Trust Fund for the 2015 ADAP Emergency Relief Funds Grant.

#### **IV. Center for Family Health**

This program works to improve health outcomes and reduce disparities in access to health care for low-income families, including women of reproductive age, pregnant and breastfeeding women, and infants, children, and adolescents and their families. This program includes the Genetic Disease Screening Program (GDSP), the Maternal, Child and Adolescent Health Program (MCAH), and the Women, Infants, and Children Special Supplemental Nutrition Program (WIC). Major budget adjustments include:

##### **2014-15 Budget Adjustments**

###### **Genetic Disease Screening Program (GDSP) May 2015 Estimate**

- \$1,221,000 TF

- \$1,221,000 OF

The May Revision Estimate reflects a current year reduction of \$1,221,000 in Local Assistance expenditure authority for the Genetic Disease Testing Fund (0203). This reduction is due to an update of Department of Finance's Demographic Research Unit birthrate figures, which lowered the caseload projections, therefore resulting in lower projected expenditures.

###### **Women, Infants and Children (WIC) Nutrition Program May 2015 Estimate**

- \$9,575,000 TF

- \$9,575,000 OF

The May Revision Estimate reflects a current year reduction of \$9,575,000 expenditure authority for the WIC Nutrition Program. This includes a decrease of Federal Trust Fund for Local Assistance expenditures of \$2.9 million and a decrease of \$6.7 million in the WIC Manufacturer Rebate Fund (3023). These decreases are due to lower than projected participation levels, similar to participation trends experienced nationwide.

##### **2015-16 Budget Adjustments**

###### **Genetic Disease Screening Program (GDSP) May 2015 Estimate**

- \$776,000 TF

- \$776,000 OF

The May Revision Estimate reflects a budget year reduction of \$776,000 in Local Assistance expenditure authority for the Genetic Disease Testing Fund (0203). This reduction to Local Assistance is due to an update of the Department of Finance's Demographic Research Unit birthrate figures, which lowered the caseload projections, therefore resulting in lower projected expenditures.

## **Women, Infants and Children (WIC) Nutrition Program May 2015 Estimate**

-\$13,233,000 TF

-\$13,233,000 OF

The May Revision Estimate reflects a decrease in budget year of \$13.2 million in Local Assistance expenditure authority for WIC. This includes a decrease of \$8.5 million in the Federal Trust Fund and \$4.8 million in the WIC Manufacturer Rebate Fund (Fund 3023). These decreases are due to a decrease in participation for current year and revised future birth rate projections as reported by the Demographic Research Unit.

### **V. Center for Health Statistics and Informatics**

This program works to improve public health by developing data systems and facilitating the collection, validation, analysis, and dissemination of health information. This program includes Vital Records and Public Health Informatics. There are no major budget adjustments.

### **VI. Center for Environmental Health**

This program works to protect and improve the health of all California residents by ensuring the safety of food, drugs, and medical devices; conducting environmental management programs; and overseeing the use of radiation through investigation, inspection, laboratory testing, and regulatory activities. This program includes Environmental Management, the Drinking Water and Radiation Laboratory, and Food, Drug, and Radiation Safety. There are no major budget adjustments.

### **VII. Center for Health Care Quality**

This program regulates the quality of care in approximately 7,500 public and private health facilities, clinics, and agencies throughout the state; licenses Nursing Home Administrators, and certifies Nurse Assistants, Home Health Aides, and Hemodialysis Technicians. A major budget adjustment includes:

#### **2015-16 Budget Adjustments**

#### **Licensing and Certification Program (L&C) May 2015 Estimate**

\$5,300,000 TF

\$5,300,000 OF

The May Revision Estimate reflects a budget year increase of \$5.3 million in expenditure authority for the L&C Program Fund (Fund 3098) when compared to the Governor's Budget. This increase will fund the Los Angeles County (LAC) contract for terms that have been negotiated since the Governor's Budget was released. With the additional resources requested in this proposal, LAC will be able to pay staff at current salary levels thus making it possible for LAC to address Tier 1 and Tier 2 federal workload, long-term care complaints and entity-reported incidents, and investigate open long-term care complaints and entity-reported incidents.